



BILLING CODE: 3510-DS-P

## DEPARTMENT OF COMMERCE

### International Trade Administration

[A-570-069]

#### **Rubber Bands from the People's Republic of China: Final Determination of Sales at Less Than Fair Value**

**AGENCY:** Enforcement and Compliance, International Trade Administration,  
Department of Commerce.

**SUMMARY:** The Department of Commerce (Commerce) determines that rubber bands from the People's Republic of China (China) are being, or are likely to be, sold in the United States at less than fair value (LTFV) during the period of investigation (POI) July 1, 2017, through December 31, 2017.

**DATES:** Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

**FOR FURTHER INFORMATION CONTACT:** Paul Stolz or Stephanie Berger, AD/CVD Operations, Office III, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-4474 or (202) 482-2483, respectively.

#### **SUPPLEMENTARY INFORMATION:**

##### Background

This final determination is made in accordance with section 735(a) of the Tariff Act of 1930, as amended (the Act). On September 6, 2018, Commerce published in the *Federal Register* its preliminary affirmative determination of sales at LTFV in the investigation of rubber bands from China.<sup>1</sup> We invited interested parties to comment on the *Preliminary Determination*. We

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<sup>1</sup> See *Less-Than-Fair-Value Investigation of Rubber Bands from the People's Republic of China: Preliminary Affirmative Determination of Sales at Less Than Fair Value and Preliminary Affirmative Determination of Critical Circumstances*, 83 FR 45213 (September 6, 2018) (*Preliminary Determination*).

received no comments from interested parties in this respect.

#### Period of Investigation

The POI is July 1, 2017, through December 31, 2017. This period corresponds to the two most recent fiscal quarters prior to the month of the filing of the Petition, which was filed on January 30, 2018.<sup>2</sup>

#### Scope Comments

We invited parties to comment on Commerce's Preliminary Scope Memorandum, and the changes made to the scope of the investigation therein.<sup>3</sup> We have reviewed the briefs submitted by interested parties, considered the arguments therein, but have not made further changes to the scope of the investigation beyond those incorporated in the *Preliminary Determination*. For further discussion, see Commerce's Final Scope Decision Memorandum.<sup>4</sup>

#### Scope of the Investigation

The products covered by this investigation are rubber bands from China. For a complete description of the scope of this investigation, see the Appendix to this notice.

#### Analysis of Comments Received

As noted above, we received no comments in response to the *Preliminary Determination*. For the purposes of this final determination, Commerce has made no changes to the *Preliminary Determination*.

#### China-Wide Entity

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<sup>2</sup> See letter from Alliance Rubber Co., "Petition for Imposition of Antidumping and Countervailing Duties on Rubber Bands from Thailand, China and Sri Lanka," dated January 30, 2018 (the Petition).

<sup>3</sup> See memorandum, "Rubber Bands from the People's Republic of China and Thailand: Scope Comments Decision Memorandum for the Preliminary Antidumping Duty and Countervailing Duty Determinations," dated August 29, 2018 (Preliminary Scope Memorandum).

<sup>4</sup> See memorandum, "Rubber Bands from the People's Republic of China and Thailand: Scope Decision Memorandum for the Final Antidumping Duty and Countervailing Duty Determinations," dated concurrently with, and hereby adopted by, this notice.

As explained in the *Preliminary Determination*, Commerce did not receive timely responses to its quantity and value (Q&V) questionnaire, nor did it receive separate rate applications, from certain exporters and/or producers of subject merchandise that were named in the Petition and to which Commerce issued Q&V questionnaires.<sup>5</sup> As these non-responsive China companies did not demonstrate that they are eligible for separate rate status, Commerce continues to consider them to be a part of the China-wide entity. Because these companies, which comprise part of the China-wide entity, failed to submit the requested Q&V information, we determine that the China-wide entity did not cooperate to the best of its ability. Consequently, we continue to find that the China-wide entity withheld requested information and significantly impeded the proceeding by not submitting the requested information. As a result, we are continuing to find that the use of adverse facts available (AFA), pursuant to sections 776(a) and (b) of the Act, is appropriate and are applying a rate based entirely on AFA to the China-wide entity.

#### China-Wide Rate

In selecting the AFA rate for the China-wide entity, Commerce's practice is to select a rate that is sufficiently adverse to ensure that the uncooperative party does not obtain a more favorable result by failing to cooperate than if it had fully cooperated.<sup>6</sup> Specifically, it is Commerce's practice to select, as an AFA rate, the higher of: (a) the highest dumping margin alleged in the Petition; or, (b) the highest calculated dumping margin of any respondent in the investigation.<sup>7</sup> Because no party responded to Commerce's Q&V questionnaire, and thus no mandatory

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<sup>5</sup> See *Preliminary Determination* at the "Methodology" section, and the memorandum, "Decision Memorandum for the Preliminary Determination in the Less-Than-Fair-Value Investigation of Rubber Bands from the People's Republic of China," dated August 29, 2018 (PDM) at 4 – 7.

<sup>6</sup> See Statement of Administrative Action accompanying the Uruguay Round Agreements Act, H.R. Rep. No. 103- 316 at 870 (1994) (H.R. Rep 103-316), reprinted in 1994 U.S.C.A.A.N.

<sup>7</sup> See, e.g., *Certain Stilbenic Optical Brightening Agents from the People's Republic of China: Final Determination of Sales at Less Than Fair Value*, 77 FR 17436, 17438 (March 26, 2012); *Final Determination of Sales at Less Than Fair Value: Certain Cold-Rolled Flat-Rolled Carbon Quality Steel Products from the People's Republic of China*, 65 FR 34660 (May 31, 2000), and accompanying Issues and Decision Memorandum.

respondents could be selected, there are no calculated dumping margins on the record of this investigation. Therefore, as AFA, Commerce has assigned to the China-wide entity, the rate of 27.27 percent, which is the only dumping margin alleged in the Petition.<sup>8</sup>

#### Final Affirmative Determination of Critical Circumstances

In accordance with section 733(e)(1) of the Act and 19 CFR 351.206, we preliminarily found that critical circumstances exist with respect to imports of rubber bands from the China-wide entity.<sup>9</sup> As stated above, we received no comments with respect to the *Preliminary Determination*. Therefore, for the final determination, we continue to find that, in accordance with section 735(a)(3) of the Act, and 19 CFR 351.206, critical circumstances exist with respect to subject merchandise exported by the China-wide entity.

#### Final Determination

The final weighted-average dumping margin is as follows:

<b>Producer/Exporter</b>	<b>Weighted-average margin(percent)</b>
China-Wide Entity	27.27

#### Disclosure

Normally, Commerce discloses to interested parties the calculations performed in connection with a final determination within five days of its public announcement or, if there is no public announcement, within five days of the date of publication of this notice in accordance with 19 CFR 351.224(b). However, because Commerce applied AFA to the China-wide entity in this investigation, in accordance with section 776 of the Act, there are no individually examined companies participating in this investigation, and the applied AFA rate is based solely on the Petition. Thus, there are no calculations to disclose.

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<sup>8</sup> See *Preliminary Determination* at 45213-14 and the PDM at 6-7.

<sup>9</sup> *Id.* at 45213 and see the PDM at 7 - 10.

### Continuation of Suspension of Liquidation

In accordance with section 735(c)(4)(A) of the Act, we will instruct U.S. Customs and Border Protection (CBP) to continue to suspend liquidation of all imports of the merchandise subject to the investigation from the China-wide entity, that were entered or withdrawn from warehouse, for consumption on or after June 8, 2018, 90 days prior to publication of the *Preliminary Determination* notice in the *Federal Register*, and require a cash deposit for such entries as noted below.

Further, pursuant to section 735(c)(1)(B)(ii) of the Act, Commerce will instruct CBP to collect a cash deposit as follows: (1) The rate for the exporters listed in the chart above will be the rate we have determined in this final determination; (2) for all Chinese exporters of subject merchandise which have not received their own rate, the cash-deposit rate will be the China-wide rate; and (3) for all non-Chinese exporters of subject merchandise which have not received their own rate, the cash-deposit rate will be the rate applicable to the Chinese exporter/producer combination that supplied that non-Chinese exporter. These suspension of liquidation instructions will remain in effect until further notice.

### International Trade Commission Notification

In accordance with section 735(d) of the Act, we will notify the U.S. International Trade Commission (ITC) of the final affirmative determination of sales at LTFV. Because the final determination in this proceeding is affirmative, in accordance with section 735(b)(2) of the Act, the ITC will make its final determination as to whether the domestic industry in the United States is materially injured, or threatened with material injury, by reason of imports of rubber bands from China no later than 45 days after this final determination. If the ITC determines that material injury, or threat of material injury, does not exist, the proceeding will be terminated, and all cash deposits will be refunded. If the ITC determines that such injury does exist, Commerce will issue

an antidumping duty order directing CBP to assess, upon further instruction by Commerce, antidumping duties on all imports of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the effective date of the suspension of liquidation.

#### Notification Regarding Administrative Protective Orders

This notice serves as a reminder to parties subject to an administrative protective order (APO) of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely notification of the return or destruction of APO materials, or conversion to judicial protective order, is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

#### Notification to Interested Parties

This determination is issued and published in accordance with sections 735(d) and 777(i)(1) of the Act, and 19 CFR 351.210(c).

Dated: November 13, 2018.

**Gary Taverman,**

*Deputy Assistant Secretary*

*for Antidumping and Countervailing Duty Operations,  
performing the non-exclusive functions and duties of the  
Assistant Secretary for Enforcement and Compliance.*

## Appendix

### Scope of the Investigation

The products subject to this investigation are bands made of vulcanized rubber, with a flat length, as actually measured end-to-end by the band lying flat, no less than ½ inch and no greater than 10 inches; with a width, which measures the dimension perpendicular to the length, actually of at least 3/64 inch and no greater than 2 inches; and a wall thickness actually from 0.020 inch to 0.125 inch. Vulcanized rubber has been chemically processed into a more durable material by the addition of sulfur or other equivalent curatives or accelerators. Subject products are included regardless of color or inclusion of printed material on the rubber band's surface, including but not limited to, rubber bands with printing on them, such as a product name, advertising, or slogan, and printed material (*e.g.*, a tag) fastened to the rubber band by an adhesive or another temporary type of connection. The scope includes vulcanized rubber bands which are contained or otherwise exist in various forms and packages, such as, without limitation, vulcanized rubber bands included within a desk accessory set or other type of set or package, and vulcanized rubber band balls. The scope excludes products that consist of an elastomer loop and durable tag all-in-one, and bands that are being used at the time of import to fasten an imported product.

Excluded from the scope of this investigation are vulcanized rubber bands of various sizes with arrow shaped rubber protrusions from the outer diameter that exceeds at the anchor point a wall thickness of 0.125 inches and where the protrusion is used to loop around, secure and lock in place.

Excluded from the scope of this investigation are yarn/fabric-covered vulcanized rubber hair bands, regardless of size.

Merchandise covered by this investigation is currently classified in the Harmonized Tariff Schedule of the United States (HTSUS) under subheading 4016.99.3510. Merchandise covered by the scope may also enter under HTSUS subheading 4016.99.6050. While the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of the investigation is dispositive.

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